

EXHIBIT A

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Jeff S. Jordan, Esq.
Assistant General Counsel
Office of Complaints Examination & Legal Administration
Federal Election Commission
999 E Street N.W.
Washington, D.C. 20463

Re: MUR 7204

Dear Mr. Jordan:

We write as counsel to Foster Campbell for U.S. Senate (the "Committee") and Ron Roberts, in his official capacity as treasurer of the Committee (collectively, "Respondents") in response to the complaint filed by Jeremy Gold on December 2, 2016 (the "Complaint"). Through the Complaint, Mr. Gold seeks to involve the Commission in an ongoing payment dispute between his company and the Committee. The Committee's reports have already showed debt to that company, and the Committee is amending its reports to show other disputed amounts the company claims it is owed. In the meantime, however, the Commission should follow the course it has taken in analogous cases, close the file without taking further action, and allow the Committee and Mr. Gold to settle this dispute among themselves.

I. FACTUAL BACKGROUND

Foster Campbell was a candidate for the U.S. Senate in Louisiana in 2016. Foster Campbell for U.S. Senate is his principal campaign committee. In April of 2016, the Committee retained The Gold Standard LLC (the "Gold Standard"), to perform fundraising consulting services through December of 2016. Jeremy Gold, the complainant, is the President of the Gold Standard. The Gold Standard was paid \$5,500 for services provided in April and \$5,500 for services provided in May in keeping with the original fee structure agreed to between the Committee and the Gold Standard.

By June, the Committee had become dissatisfied with the services provided by the Gold Standard. The Committee found that the company failed to devote the necessary time and energy to perform the consulting services required. Accordingly, the Committee and the company began to disagree over whether the Committee owed more fees. This disagreement persisted throughout the rest of the campaign. On November 3, Mr. Gold sent the Committee a letter demanding that the Committee adhere to the original payment terms. On December 2, Mr. Gold filed the Complaint in this matter.

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The Committee has reported two payments of \$5,500 to the Gold Standard for April and May services, respectively. It has also reported a \$5,000 payment for June services, while also reporting an initial \$5,500 in debt for June services. Finally, it has reported \$5,500 in debt to the Gold Standard for July and August services.¹ The Committee contends that it owes no further payments to the Gold Standard beyond those already made and that it need not have disclosed debt to begin with. Still, to avoid any question about the sufficiency of its filings, the Committee is amending its debt schedules to include the full amounts the company has demanded—while making clear it disputes them all.

II. LEGAL ANALYSIS

The Act and Commission regulations require political committees to report the amount and nature of their outstanding debts.² This includes an obligation to report “disputed debt” if the creditor has provided something of value to the political committee.³ A “disputed debt” is “an actual or potential debt or obligation owed by a political committee, including an obligation arising from a written contract, promise or agreement to make an expenditure, where there is a bona fide disagreement between the creditor and the political committee as to the existence or amount of the obligation owed by the political committee.”⁴

As a matter of practice, the Commission generally exercises prosecutorial discretion to decline to pursue misreporting of debt when the potential reporting error arises from a payment dispute between a vendor and a political committee.⁵ For example, in Matter Under Review 6681 the Commission voted 6-0 to dismiss, as a matter of prosecutorial discretion, a claim that a candidate committee failed to report a disputed debt in connection with a dispute over fees allegedly owed to a company for petition services.⁶ Similarly, in Matter Under Review 6554 the Commission voted 5-0 to dismiss, as a matter of prosecutorial discretion, a claim that a candidate committee failed to report debt or disputed debt in connection with a dispute over fees allegedly owed to a compliance consultant. In each case, the Commission declined to get in the middle of what was at bottom a commercial dispute.

¹ See Foster Campbell for U.S. Senate October Quarterly Report, Pre-General Report, Pre-Run-Off Report and Post-Run Off Report.

² 52 U.S.C. § 30104(b)(8); 11 C.F.R. §§ 104.3(d), 104.11(a).

³ 11 C.F.R. § 116.10(a).

⁴ *Id.* § 116.1(d).

⁵ See FEC Matter Under Review Nos. 6681 (Jill Stein for President and Green Party of VA); 6554 (Friends of Weiner); 6771 (Sue Lowden for US Senate); see also Matter Under Review 5624 (Jaliman for House of Representatives) (finding a reason to believe a candidate committee failed to report disputed debt in connection with a claim of non-payment for services provided to the committee, sending an admonishment letter and taking no further action).

⁶ See also FEC Matter Under Review 6714 (Jill Stein for President) (finding a candidate committee should have reported disputed debt in the form of reimbursement expenses incurred by a volunteer but dismissing the complaint as a matter of prosecutorial discretion).

